

Victor J. Olsen, M.A.
15 Mountain Rd.
Wilton, CT 06897
203-544-7077

821 9

February 10, 2009

Connecticut Legislation
Insurance and Real Estate Committee

Re. Opposed to Raised Bill SB821 An act concerning Marital and Family Therapists

Dear Members of the Insurance and Real Estate Committee

As President-Elect of the Connecticut Division of the American Association for Marriage and Family Therapy, I speak in opposition to raised bill No, SB821, An act concerning Marital and Family Therapists. The bill seeks to remove insurance coverage for Family Therapists.

Family Therapists are nationally recognized as mental health providers and have been covered by health insurance in the state of Connecticut for many years. Clinical professionals, human service agencies, and hospitals recognize family therapy as an important part of a complete mental health delivery system. Family therapists work along side social workers, counselors, psychologists, and doctors in every aspect of mental health care.

The citizens of Connecticut deserve to have, at the very least, a continuation of existing mental health services covered by insurance. Family therapy has been shown to be cost effective, but even more important is understanding that Connecticut citizens expect an array of services to fit their needs. Furthermore, Connecticut doctors depend on an array of choices to treat their patients appropriately. All of the currently recognized licensed mental health professionals deserve parity of access to insurance panels.

During this time of economic uncertainty, it is vital that our citizens have faith in a government that now considers mental health as important as physical health. Rather than limit our choices of mental health providers, I encourage you to maintain the quality of services and choices that our citizens expect and deserve.

Sincerely,

Victor J. Olsen, M.A.
Licensed Marriage and Family Therapist



**American Association for
Marriage and Family Therapy**

Advancing the Professional Interests
of Marriage and Family Therapists

112 South Alfred Street
Alexandria, VA 22314
Telephone: (703) 838-9808
Fax: (703) 838-9805
Website: www.aamft.org

FEDERAL GOVERNMENT RECOGNITION OF MFTS

- **Health Resources Services Administration Recognizes MFTs as Core Mental Health Professionals**

The Public Health Service Act recognizes marriage and family therapists as a core mental health profession under the Health Professional Shortage Area and the National Health Service Corps programs administered by the Health Resources Services Administration (HRSA). The program identifies geographic areas that have a shortage of mental health professionals. Other core professionals are psychiatrists, clinical psychologists, clinical social workers, and psychiatric nurse specialists. (42 CFR Part 5)

- **Veterans Administration Recognizes MFTs**

MFTs added to the list of eligible Veterans Administration (VA) mental health providers under the Veterans Benefits Act (38 U.S.C.A. §7402). The law identifies MFTs as viable VA employees and/or contractors in Vet Centers and VA Hospitals (Public Law 109-461).

- **Transportation Department Recognizes MFTs as Eligible for Substance Abuse Program**

The Department of Transportation (DoT) Substance Abuse Program recognizes licensed or certified MFTs as qualified to apply for Substance Abuse Professional (SAP) credentialing. The program provides evaluation and treatment for any of the approximately 12.1 million people performing safety-sensitive transportation jobs covered by DoT drug and alcohol regulations (Public Law 109-59).

- **MFT Students Eligible for Minority Fellowship Program**

The Department of Health and Human Services (DHHS) Substance Abuse and Mental Health Services Administration (SAMHSA) grants MFT students eligibility to participate in its Minority Fellowship Program (MFP). MFP provides minority students with grants to aid at-risk minority populations in their communities (DHHS SAMHSA FY 08 Justification of Estimates for Appropriations Ctes.).

- **National Health Services Corps Recognizes MFTs as Behavioral and Mental Health Professionals**

The National Health Service Corps (NHSC) defines marriage and family therapy as a "behavioral and mental health professional" for purposes of participating in the NHSC Scholarship and Loan Repayment Programs. These programs are designed to provide health care services to underserved populations. (42 U.S.C. 254d)

- **Defense Department Recognizes & Reimburses MFTs as Health Care Providers**

- ✓ The Department of Defense (DoD) identifies marriage and family therapists as "health-care professionals" who are authorized to provide direct patient care and serve as contractors to DoD employees. (10 USCS § 1094 & 10 USCS § 1091)
- ✓ The Department of Defense identifies MFTs as clinical practitioners eligible for credentialing and independent privileging in DON Family Service Centers and Family Advocacy Program Centers. (SECNAVINST 1754.7)

- **Education Department Recognizes MFT Programs & Providers**

- ✓ The Department of Education (DoE), in the Individuals with Disabilities Education Act (IDEA), designates MFTs as qualified providers of early intervention services to infants and toddlers with a disability. (20 U.S.C.A s 1432)
- ✓ The Department of Education recognizes the Commission on Accreditation for Marriage and Family Therapy Education (COAMFTE) as the national accrediting agency for clinical training programs in marriage and family therapy (DoE recognition; 1978, 1980, 1984, 1989, 1995, 1999, and 2005).

- **CHAMPUS/TRICARE Reimburses MFTs**

CHAMPUS/TRICARE, the federal health care program for members of the uniformed services and their families, reimburses MFTs as independent extra-medical individual providers who provide counseling or non-medical therapy. (32 CFR 199.6 / TRICARE Standard Provider Handbook)

- **Indian Health Service Recognizes MFTs**

The Indian Health Service authorizes licensed marriage and family therapists to provide mental health care services to Indians in a clinical setting, along with psychologists and social workers. (25 U.S.C.A. s 162h(l))

COMMONWEALTH OF MASSACHUSETTS

MANDATED BENEFIT REVIEW

REVIEW AND EVALUATION OF PROPOSED LEGISLATION

RELATED TO MARRIAGE AND FAMILY THERAPY:

SENATE BILL NO. 911 AND HOUSE BILL NO. 2822

**PROVIDED FOR:
THE JOINT COMMITTEE ON INSURANCE**

**DIVISION OF HEALTH CARE FINANCE AND POLICY
COMMONWEALTH OF MASSACHUSETTS
JANUARY 2005**

EXECUTIVE SUMMARY

This report was prepared by the Division of Health Care Finance and Policy (DHCFP) pursuant to the provisions of M.G.L. c. 3, § 38C. This section requires the Division to evaluate the impact of a mandated benefit bill referred by legislative committee for review, and to report back to the referring committee. The Division was requested to evaluate companion bills S. 911 and H. 2822, which would add marriage and family therapists (MFT) to the definition of licensed mental health professional. If an insurer includes coverage for services by licensed mental health professionals, the proposed bill would require them to cover services by marriage and family therapists. Therefore, the bill adds a group of providers to a definition; it does not require an insurer to reimburse for an additional service if that insurer does not otherwise cover the services provided by licensed mental health professionals.

Marriage and family therapy is recognized by the National Institutes of Mental Health and the Health Resources Services Administration as a "core" mental health profession. Marriage and family therapists have a graduate degree (master's or doctoral) and at least two years of clinical experience.

A survey of large Massachusetts insurers showed that all insurers except one already contract with and cover the services of marital and family therapists. Moreover, that one insurer is in the process of negotiating with its professional organization to cover these services; it already covers marriage and family *therapy* when offered by other licensed mental health professionals.

TABLE OF CONTENTS

SECTION	PAGE
EXECUTIVE SUMMARY	2
OVERVIEW OF PROPOSED LEGISLATION.....	4
INTRODUCTION	4
BACKGROUND OF ISSUE AND CURRENT LAW	4
ORGANIZATIONS THAT SUBMITTED INFORMATION TO DHCFP	5
CURRENT COVERAGE LEVELS.....	5
COST OF MARRIAGE AND FAMILY THERAPY	6
FINANCIAL IMPACT OF MANDATE	6
LEGISLATIVE ACTIVITY IN OTHER STATES AND ON THE FEDERAL LEVEL	9
ACTUARIAL ANALYSIS	9
ENDNOTES.....	9
TESTIMONIAL	10

OVERVIEW OF PROPOSED LEGISLATION

Proposed companion bills S. 911 and H. 2822, respectively entitled *An Act Relative to Increasing Consumer Access to Licensed Marriage and Family Therapists* and *An Act Relative to Increasing Consumer Access to Therapy*, would both add a “licensed marriage and family therapist” (LMFT) to the definition of a “licensed mental health professional.” Currently, a “licensed mental health professional” means a licensed psychiatrist, a licensed psychologist, a licensed independent clinical social worker (LICSW), a licensed mental health counselor (LMHC), and a licensed nurse mental health clinical specialist. The proposed legislation would apply to non-profit hospital service corporations, medical service corporations, and health maintenance organization plans. The bills would not apply to MassHealth.

The proposed legislation would not require insurers to cover the services provided by marriage and family therapists per se; however, it would require insurers who cover services that are rendered by a “licensed mental health professional” to expand their definition of such professionals to include marriage and family therapists.

INTRODUCTION

The Joint Committee on Insurance referred proposed companion bills S. 911 and H. 2822 to DHCFP for review and evaluation.

BACKGROUND OF ISSUE AND CURRENT LAW

According to the American Association for Marriage and Family Therapy (AAMFT), marriage and family therapy means, “the diagnosis and treatment of mental and emotional disorders within the context of marital and family systems.” LMFTs have graduate training (a master's or doctoral degree) in marriage and family therapy. After graduation from an accredited program, a period of post-degree supervised clinical experience—usually two years—is necessary before licensure or certification. When the supervision period is completed, the therapist can take a state licensing exam or the national examination for marriage and family therapists conducted by the AAMFT Regulatory Boards. This exam is used as a licensure requirement in most states. According to the American Association of Marriage and Family Therapists, “The regulatory requirements in most states are substantially equivalent to the American Association of Marriage and Family Therapists Clinical Membership standards.”¹

Marriage and family therapy is recognized by the National Institutes of Mental Health and the Health Resources Services Administration as a “core” mental health profession along with psychiatry, psychology, social work, and psychiatric nursing.

The AAMFT states that LMFTs typically practice short term therapy: 12 sessions on average. They also state that “nearly 65.6% of the cases are completed within 20 sessions, and 87.9% within 50 sessions” and that “marital/couples therapy (11.5 sessions) and family therapy (9 sessions) both require less time than the average individuated treatment (13 sessions).”

In Massachusetts, the Board of Registration of Allied Mental Health Professions licenses marriage and family therapists to practice in the state (in addition to licensing mental health counselors, rehabilitation

counselors, and educational psychologists). Marriage and family therapists must renew their license every two years. Currently, there are 841 marriage and family therapists licensed to practice in Massachusetts. Marriage and family therapists are licensed, and their services regulated, in 42 states.

ORGANIZATIONS THAT SUBMITTED INFORMATION TO DHCFP

Five health insurers in Massachusetts responded to DHCFP's inquiries regarding their current coverage of marriage and family therapists.

CURRENT COVERAGE LEVELS

Four out of the five insurers that responded to our survey reported that they already cover counseling by marriage and family therapists. The insurer that does not cover treatment by marriage and family therapists is currently negotiating with that provider group to expand coverage to them.

TABLE 1. CURRENT COVERAGE FOR MARRIAGE AND FAMILY THERAPISTS

	Plan 1	Plan 2	Plan 3	Plan 4	Plan 5
Coverage for treatment by LMFT?	Yes	Yes	Yes	Yes	No; provides coverage for LMFT services performed by psychologist, LICSW, psychiatrist, mental health clinical nurse specialist, or an LMHC
Provider group included in standard benefits?	Yes	Yes	Yes	LMFTs are credentialed & able to provide services. Utilization by LMFTs & LMHCs cannot be separated, so data reported is combined.	No; but coverage for LMFT services is available to members when rendered by other providers
# / sessions reimbursed for such therapy in 2003	2043 sessions; 274 members	128 sessions; 34 members*	1,089 sessions; 459 members	47,513 sessions; 9,549 members	N/A
Comparable figures for licensed psychologists	152,966 sessions; 18,499 members	23,955 sessions; 5,460 members	285 sessions; 98 members	23,826 sessions; 5,385 members	43,504 sessions; 6,615 members
Licensed independent clinical social workers	171,654 sessions; 21,760 members	19,368 sessions; 4,553 members	128 sessions; 60 members	89,044 sessions; 16,762 members	30,058 sessions; 4,590 members

*undercounts utilization; represents billing only by LMFTs in solo practice.

COST OF MARRIAGE AND FAMILY THERAPY

Insurers reported varying reimbursements and session lengths for treatment by marriage and family therapists. One insurer reported that it reimburses \$58 - \$64 for 45-50 minutes; a second reported paying \$64 with no time component specified; a third reported that it reimburses \$25-\$35 for family sessions lasting 30-60 minutes; and the final one reimburses \$30 for 20-30 minutes of individual therapy, and up to \$65 for other types of therapy or longer individual sessions.

As a comparison, the Division also asked insurers what their reimbursement rates were for licensed psychologists and licensed clinical social workers. Treatment from social workers seems to be reimbursed at the same rates as for marriage and family therapists, while treatment by licensed psychologists costs insurers an additional \$5 to \$10 per session, on average.

FINANCIAL IMPACT

- 1. The extent to which the proposed insurance coverage would increase or decrease the cost of the treatment or service over the next 5 years.*

As previously stated, the proposed bills do not mandate coverage for marriage and family therapists. Instead, they add this category of practitioner to the definition of "licensed mental health professional." The proposed legislation would likely have no effect on the unit cost of treatment by marriage and family therapists, but would perhaps lower overall costs for the one insurer that does not currently cover this provider group. The American Association for Marriage and Family Therapy argues that, in general, marital and family therapists save insurers money compared to the services of other mental health professionals.

There are four main reasons proponents contend that LMFTs can save money:

- A. Marriage and family therapists are trained in "brief, solution-focused therapy,"² although they understand that longer therapy may be necessary for more complex problems. The AAMFT states that the average number of sessions for LMFTs is lower than the average number for other mental health professionals.
- B. Marriage and family therapists typically have a master's degree-level education (although some have doctoral degrees); therefore, the average charge for each therapy session is lower than that with psychologists or psychiatrists, who have doctoral degrees. This can reduce the overall cost of treatment if the number of treatments per episode doesn't exceed those of a psychologist or psychiatrist.
- C. Proponents also argue that there is an "offset effect" for therapy in general, including marriage and family therapy, by which many people who seek and use therapy, in turn, need fewer medical services. An article in the Journal of Marital and Family Therapy reported that "those who received marital and family therapy significantly reduced their use of health care services by 21.5%. These results show a significant 'offset effect' for marriage and family therapy."³ However, the report states that the results should be "interpreted with caution since only outpatient records were examined, information about the subjects was limited, and results need corroboration." Moreover, this study concerned those who received marital and family therapy, which does not necessarily have to be delivered by marriage and family therapists.

Mary J. Gello

From: Terry I. Carter

Sent: Friday, January 30, 2009 4:59 PM

To: ~~HT EVERYONE~~ **Subject:** NEW ELEVATOR CODE FOR THE 17th floor

As a result of reports that many non-firm people that use the mid-rise elevator know our code to allow access to the 17th floor, we have studied the question of the effectiveness of the 17th floor family therapists and their findings are summarized as follows:

A report published by the Texas Dept of Insurance in December 1998 reported that, having collected immediate claims costs and premium information from all Texas insurers and LMFTs since 1989, Monday morning, building security will assist any firm members who were unable to see this message before they left for the weekend.

In North Carolina, a Legislative Actuarial Note that analyzed reimbursement for LMFTs for teachers' and state employees' comprehensive major medical plan stated that, "the bill will not measurably increase the costs to the Plan. Any increases in costs through expanded utilization of services would be expected to be offset through lower professional and institutional unit costs."

Terry I. Carter

Office Services Manager, California completed an analysis to determine costs if marriage and family therapists tcarter@murthalaw.com a covered provider group under Medi-Cal (Medicaid). This analysis found net minor costs to Medi-Cal (under \$150,000), partially due to off-setting savings from those patients who

Murtha Cullina LLP provided from a psychiatrist or psychologist to an LMFT. (This assumes that the reimbursement rate for LMFTs would be lower than that paid to psychiatrists or psychologists.)

CityPlace 1, 185 Asylum Street

Hartford, CT 06103-3469

Direct: 860-240-6124

Direct Fax: 860-240-3924

Main: 860-240-3000

Main Fax: 860-240-3146

self-reported costs exceeded the cost experiences of the states' cited above.

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TABLE 2: COST FIGURES PROVIDED BY VIRGINIA SURVEY RESPONDENTS THAT COVERED LMFTS
IRS CIRCULAR 230 DISCLAIMER: Any tax advice contained in this e-mail is not intended to be used, and cannot be used by any taxpayer, for the purpose of avoiding Federal tax penalties that may be imposed on the taxpayers. Further, to the extent any tax advice contained in this e-mail may have been written to support the promotion or marketing of the transactions or matters discussed in this e-mail, every taxpayer should seek advice based on such taxpayer's particular circumstances from an independent tax advisor.

Coverage on optional basis - Standard Individual Policy	Between \$1 and \$1.99
Coverage on optional basis - Standard Group Policy	Between \$1.00 and \$1.49
Coverage on group basis - Standard Group Policy	Between \$1.11 and \$1.98
Coverage on group basis - Standard Individual Policy	Between \$1.11 and \$2.98

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treatment or service over the next 5 years.

All but one of the Massachusetts insurers responding to our inquiry reported that they already cover therapy services by marriage and family therapists; therefore, it is unlikely that this proposed legislation will noticeably affect the use of these providers. The one that does not specifically cover marriage and family therapists is currently negotiating to cover this group.

3. *The extent to which the mandated treatment or service might serve as an alternative for more expensive or less expensive treatment or service.*

Four out of the five insurers responding to the Division's inquiries regarding coverage of marriage and family therapists responded that they already cover these providers. The other insurer covers marriage and family therapy performed by other types of providers. Therefore, for the one insurer that would be required to cover marriage and family therapists, this proposed legislation could reduce its costs if its members who currently see psychologists for marital and family therapy seek treatment by marriage and family therapists, instead (if, as the other insurers reported, the reimbursement for marriage and family therapists is lower than that for psychologists).

4. *The extent to which the insurance coverage may affect the number and types of providers of the mandated treatment or service over the next 5 years.*

The enactment of S. 911 and H. 2822 would be expected to have a minimum effect on the number of LMFTs in Massachusetts, as this mandate would only affect one insurer, albeit a large one. Currently there are 841 marriage and family therapists licensed to practice in Massachusetts.

5. *The effects of the mandated benefit on the cost of health care, particularly the premium; administrative expenses; and indirect costs of large and small employers, employees, and non-group purchasers.*

Since all the major insurers in Massachusetts, except one, currently cover this class of provider, credentialing and contracting costs would only be incurred by one insurer. After that one-time-only expense, that insurer may save money if its members use these lower-cost providers instead of higher-cost psychologists.

6. *The potential benefits and savings to large and small employers, employees, and non-group purchasers.*

Passage of this mandate would make almost no difference to employers, employees or non-group purchasers. The majority of commercially insured Massachusetts residents already have access to this provider group in their insurance coverage.

7. *The effect of the proposed mandate on cost-shifting between private and public payers of health care coverage.*

The proposed mandate would only apply to private, fully insured, health insurance plans, not public plans; Medicaid generally does not cover these providers. A cost-shifting from public to private payers of health care coverage would not be expected.

8. *The cost to health care consumers of not mandating the benefit in terms of out-of-pocket costs for treatment or delayed treatment.*

Four out of five Massachusetts plans already cover LMFTs. Most likely, members of the plan that does not cover this type of provider would now seek counseling from one of the other commonly

covered mental health providers. If, instead, that member chose an LMFT for treatment, the member would pay for those services out of pocket. It is unlikely that the member would delay treatment due to lack of LMFT coverage, since other approved provider groups are available to provide similar services.

9. The effect on the overall cost of the health care delivery system in the Commonwealth.

Mandating coverage for LMFTs would mean additional credentialing and contracting activities on the part of the one large plan that does not already contract with LMFTs. All other plans would notice no difference in costs.

LEGISLATIVE ACTIVITY IN OTHER STATES AND ON THE FEDERAL LEVEL

Approximately 12 states require insurers to cover counseling by marriage and family therapists and one state (Maine) requires that insurers offer the choice of purchasing such coverage (and allows them to charge more for a package with the benefit). The states requiring coverage are Alaska, California, Colorado, Connecticut, Maryland, Nevada, New Hampshire, North Carolina, Rhode Island, Texas, Virginia, and Washington.⁴

There has not been any activity related to marriage and family therapists on the federal level.

ACTUARIAL ANALYSIS

DHCFP concluded that an independent actuarial analysis of this mandate proposal was not necessary, since the cost of implementing this proposal would only accrue to one insurer and would be negligible except for contracting and credentialing costs. Moreover, this insurer is in the process of negotiating coverage with this provider group.

ENDNOTES

¹ AAMFT website at www.aamft.org

² American Association for Marriage and Family Therapy, "Direct Reimbursement of Marriage and Family Therapists: An Overview."

³ Law, D.D. & Crane, R.C. (2000), "The Influence of Marital and Family Therapy on Health Care Utilization in a Health Maintenance Organization," *Journal of Marital and Family Therapy*, 26, No. 26, 281-291.

⁴ National Association of Insurance Commissioners, May 2004 Compendium of State Laws on Insurance Topics.



January 26, 2005

Maria Schiff
Health Policy Manager
Massachusetts Division of Health Care Finance and Policy
Two Boylston Street
Boston, MA 02116

Dear Ms. Schiff:

The Massachusetts Association of Health Plans, on behalf of our member health plans, which provide health care coverage to approximately 2.2 million Massachusetts residents, appreciates the opportunity to offer our comments as part of the mandate review process concerning proposed HB 2822 and SB 911 which would mandate coverage for licensed marriage and family therapists.

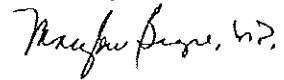
As our plans have indicated in their responses to your survey, most health plans do provide coverage of licensed marriage and family therapists. It is therefore unnecessary for the Legislature to mandate this coverage.

On the broader issue of mandates, we do not see why a one-size-fits-all-treatment mandate is needed, when there is little evidence that persons are being denied adequate coverage. In general, MAHP opposes mandates because mandating health care benefits removes the flexibility employers need in order to manage their health care costs and can lead to significant increases in the cost of coverage. Massachusetts currently has 27 mandated health benefit laws, among the most of any state in the country. Nearly half of these mandates were enacted over the last five years, often with little or no analysis of their impact on premiums or clinical appropriateness. While any one mandate may not significantly increase the cost of coverage, the cumulative effect over time of piling mandate on top of mandate can and does affect cost. Fortunately, we now have this process whereby mandates can be properly reviewed before the Legislature acts.

The cumulative effect of mandated benefit laws passed in recent years has caused health insurance premiums to rise substantially. In its January 2002 report, the Massachusetts Health Care Task Force found that mandates enacted by the Massachusetts Legislature have significantly contributed to the rising cost of health insurance. The Task Force report went on to state that "To avoid losing private sector coverage in the face of cost increases, flexibility in design is needed."

Please let me know if you have any questions or if there is any other information we can provide.

Sincerely Yours,

A handwritten signature in cursive script, appearing to read "Marylou Buyse, M.D.", written in black ink.

Marylou Buyse, M.D.
President